

MEMORANDUM OF AGREEMENT

SPECIAL RETIREMENT OPTION

During negotiations for the 2026-27 salary and benefits negotiations, the representatives of the FEA and Board of Education agreed to offer a one-time, non-repeating retirement option. The terms and conditions of this Option are as follows:

1. Eligibility

Participation in this Option requires a teacher to:

- a. Complete at least ten (10) years of full-time service in District 145; and
- b. File for and be approved to participate in the retirement Program of the Illinois Downstate Teacher Retirement System; and
- c. Attain the age of 55 at the time of retirement or within six (6) after the last day of service to the District; and
- d. Retire no later than June 30, 2027; and
- e. Retire without the Board being required to pay an TRS excess salary payment or penalty.

2. Notice

In order to participate in this Option, the teacher must provide irrevocable notice of intent to retire no later than December 15, 2026. This notice must indicate the teacher's effective date of retirement no later than June 30, 2027.

3. Retirement Benefits

- a. Eligible teachers will receive a retirement stipend for years of service to Freeport School District. The benefit is determined by multiplying one half of the teacher's creditable earnings in the year of retirement by one percent (1%). The payment will be made following the last day of employment and receipt of the retiree's final paycheck. However, the retiree may elect to receive the benefit in the form of additional creditable earnings in the last year of employment, provided, however, that the final year's creditable earnings may not exceed 6% over the prior year's creditable earnings. In this event, the remaining amount of the stipend, if any, shall be paid following the effective date of retirement and receipt of the final paycheck.

- b. In addition to the creditable earnings increase noted above, retirees will be paid \$25 for each unused, accumulated sick leave day in excess of 170 days available on the date of retirement. Such payment will be in a lump sum and shall be paid after the date of retirement and receipt of the retiree's final paycheck.

4. OPTIONAL PLAN DURATION

This Optional retirement program will terminate on December 16, 2026. No new applications to participate in this Option may be filed after December 16, 2026.

Freeport Education Association

By: Kelly A. Everale

Dated: 6/16, 2026

Board of Education

By: Martina Bursch

Dated: June 16, 2026